

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE

Bulletin 2007-13
Issued on December 31, 2007

To: Resident Insurance Producers with Either a Personal Lines or Property Insurance Line of Authority; Insurers with Authority to Insure Against Loss or Damage to Property

Subject: The Federal Emergency Management Agency's Minimum Training and Education Requirements for Insurance Producers Who Sell Flood Insurance Policies Through the National Flood Insurance Program

PURPOSE

The purpose of this Bulletin is to notify all resident insurance producers who sell flood insurance policies through the National Flood Insurance Program ("NFIP") that they must comply with the minimum training and education requirements established by the Federal Emergency Management Agency ("FEMA") in accordance with Section 207 of the Flood Insurance Reform Act of 2004 ("Act").¹

SUMMARY

Section 207 of the Act states that the Director of the FEMA must (1) establish minimum training and education requirements for all insurance producers who sell flood insurance policies through the NFIP and (2) publish the requirements in the *Federal Register*. A notice published in 70 Fed. Reg. 52,117 (Sept. 1, 2005) describes FEMA's implementation of Section 207 of the Act.

All resident insurance producers who sell flood insurance policies through the NFIP must comply with the minimum training and education requirements established by FEMA pursuant to Section 207 of the Act. And, upon request, insurers must demonstrate to the Commissioner of Commerce that their appointed producers who sell flood insurance policies through the NFIP have complied with the minimum training and education requirements established by FEMA.


¹ On June 30, 2004, the President signed the Act. Section 207 of the Act states:

The Administrator of the Federal Emergency Management Agency shall, in cooperation with the insurance industry, State insurance regulators, and other interested parties –

- (1) establish minimum training and education requirements for all insurance agents who sell flood insurance policies; and
- (2) not later than 6 months after the date of enactment of this Act, publish these requirements in the Federal Register, and inform insurance companies and agents of the requirements.

FEMA and continuing education sponsors are developing courses related to the NFIP. An insurance producer who sells flood insurance policies through the NFIP can satisfy the minimum training and education requirements established by FEMA by completing an accredited course related to the NFIP, which will be approved for three credit hours of continuing education credit by the Minnesota Department of Commerce. The failure to comply with the minimum training and education requirements established by FEMA may jeopardize the insurance producer's authority to sell flood insurance policies through the NFIP.

If you have any questions about this Bulletin, please contact Robert Commodore at (651) 296-2508.


Robert Commodore
Director of Investigations

Information related to Bulletin 2007-13

This bulletin has been issued as a reminder to all Producers and Companies participating in the issuance of flood policies through the National Flood Insurance Program (NFIP)

It should be noted that:

- 1) The education requirements are set by FEMA and NOT the state of Minnesota,
- 2) The requirement for education has been an ongoing responsibility since the federal act was passed, and
- 3) Nothing in this bulletin overrides or otherwise amends any of the requirements set by the federal act.

As such, the Department has issued the model bulletin at this time in further response to the recent flooding in SE Minnesota. Commerce has worked with the NFIP, SIRCON (our on-line licensing provider) and the NAIC to ensure that additional education providers have been approved here in the State of Minnesota that will provide an avenue for producers to better meet their education requirements. Additionally, Minnesota will approve three (3) hours of continuing education credit for those producers who successfully complete an approved course of study.

Education Providers:

Be sure to check our website for the most current course and provider / coordinator applications as old versions will be returned without review.

Here is the [link to the current Continuing Education Course Approval Application.](#)

Here is the current [link to the Insurance Provider / Coordinator Application.](#)

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